

**DIVISION OF EMPLOYMENT & REHABILITATION SERVICES**  
**Workforce Innovation and Opportunity Act (WIOA) Title I-B**  
**Informational Broadcast (IB)**  
**20-015**  
**INCREASE IN THE ARIZONA MINIMUM WAGE**  
***Effective January 1, 2021***

This Informational Broadcast is to remind all Division of Employment and Rehabilitation Services staff, Jobs Program Contractors, Local Workforce Development Area (LWDA) staff and interested parties that, in accordance with Arizona's Fair Wages and Healthy Families Act, **the State of Arizona's minimum wage increased to \$12.15** per hour on January 1, 2021.

- Arizona's Fair Wages and Healthy Families Act applies to all employees, with the following exceptions:
- A person who is employed by a parent or a sibling;
- A person who is employed performing babysitting services in the employer's home on a casual basis;
- Any person employed by the State of Arizona; however, political subdivisions of this state would be required to comply with the state minimum wage law;
- Any person employed by the United States government;
- Any person employed in a small business grossing less than \$500,000 in annual revenue, if that small business is not covered by the Federal Fair Labor Standards Act; and
- Employees who regularly receive tips and who are otherwise exempt under federal minimum wage laws. For any employee who customarily and regularly receives tips or gratuities, an employer may pay a wage up to \$3.00 per hour less than the minimum wage.

**NOTE: The Federal minimum wage remains \$7.25 per hour.**

Please ensure that all appropriate personnel have been informed of this change in Arizona law. For more information, please visit: <https://www.azica.gov/labor-minimum-wage-main-page>.